

## CHAPTER 13

### SECTION 3.1

# ANESTHESIA

Issue Date: August 26, 1985

Authority: [32 CFR 199.4\(c\)\(2\)\(vii\)](#); [\(c\)\(3\)\(viii\)](#); and [32 CFR 199.6\(c\)](#)

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#### I. APPLICABILITY

The policy is mandatory for reimbursement of services provided by either network or non-network providers. However, alternative network reimbursement methodologies are permitted when approved by TMA and specifically included in the network provider agreement.

#### II. ISSUE

How is reimbursement for anesthesia services to be determined?

#### III. POLICY

A. Procedure codes. Claims are to be billed using the CPT-4 anesthesia codes (range 00100 - 01999).

B. Payment. Payment is calculated by multiplying the applicable conversion factor by the appropriate number of base units plus time units for each code.

1. There are two conversion factors--one for physicians and one for non-physicians, and the conversion factors are adjusted by wage indexes for each locality. The locality-specific conversion factors are adjusted in the same manner applied to CMACs. That is, the current contractor-maintained conversion factors are compared to the Medicare locality-specific conversion factors, and the conversion factors are reduced a maximum of fifteen percent a year or to the Medicare level.

2. Base units for each procedure are derived from the Medicare Anesthesia Relative Value Guide. Time units are 15 minutes, and any fraction of a unit is considered a whole unit. Time units will be as submitted on the claim.

C. Files provided to Contractors. Each year the contractors will receive a file which contains the conversion factors (two per locality) along with the number of base units per CPT-4 code.

D. Identification of provider. Since payment rates distinguish between physicians and non-physicians, each anesthesia claim must identify who provided the anesthesia. In those

cases where part of the anesthesia service is provided by an anesthesiologist and the remainder by a nurse anesthetist, the claims(s) must identify exactly the services provided by each type of provider, so that the appropriate payment level can be used.

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